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KGB Intelligence 'Windfall'

California Man Charged With Spying

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A California man whose wife worked for a high-technology contractor in the Silicon Valley has been charged with selling to Polish intelligence agents classified documents on how the U.S. Minuteman missile and other strategic forces could survive a preemptive nuclear strike by the Soviet Union.

James Durward Harper Jr., 49, of Mountain View, Calif., was arraigned yesterday on charges of receiving \$250,000 for secret defense documents that allegedly were passed through Polish agents to the Soviet KGB, according to the FBI.

The documents, some of which detailed U.S. research and development efforts for the Minuteman and other land-based intercontinental missiles, were so sensitive that the Polish agents who procured them received commendations in 1980 from Soviet President Yuri V. Andropov, then head of the KGB.

The FBI said that Harper, who was arrested Saturday, obtained the documents from his wife, Ruby Louise Schuler, who died in June. Schuler had a security clearance as a secretary and bookkeeper at Systems Control Inc., a Defense Department contractor in Palo Alto, Calif.

John Cunningham, acting director of technology in the Army's ballistic missile program, was quoted in an FBI affidavit as saying that the stolen documents "would cause serious damage to our national defense and would provide Warsaw Pact analysts with a windfall of intelligence information about the capabilities of our strategic forces and our present and future plans to defend them."

"The value of these documents ... is beyond calculation," Cunningham said.

William McGivern, chief assistant U.S. attorney for the Northern District of California, said there is no question that national security already has been compromised. "The other side has the documents," he said.

McGivern said his office asked a federal magistrate in San Francisco to hold Harper without bail because of the likelihood that Harper would flee before trial.

Harper, who faces life in prison, told the magistrate that he does not need a lawyer and plans to cooperate with the government. The bond hearing was continued until Wednesday.

Federal officials described Harper's case as highly significant and released more details on the defense secrets involved than is customary in such cases.

FBI agent Allan M. Power, who prepared the affidavit, said he believes the Poles had trained Harper in espionage techniques, which he said often comprise use of code names, cameras, recording equipment and smuggling devices.

The affidavit said Harper bought a video recorder and camera for clandestine communications but found them unsatisfactory and later complained that he "got stuck with all that equipment."

According to the FBI, Harper has been dealing with Polish intelligence

since early 1979, but the government was not aware of this until an attorney for Harper approached the CIA in September, 1981.

The attorney said that his unnamed client, who the FBI said turned out to be Harper, would act as an informant and a counterintelligence agent for the United States in exchange for immunity from prosecution for selling defense secrets. No plea bargain ever was reached.

The FBI affidavit said that Harper had been introduced to the Polish agents by a longtime acquaintance, Mountain View engineer William Bell Hugle, who has not been charged.

McGivern said the continuing investigation will explore the role of Hugle and others.

The Polish agents told Harper that Warsaw had a "shopping list" of high-technology information and devices, the affidavit said, adding that the list probably was drawn up in Moscow.

At various times, Harper traveled to Warsaw, Switzerland and Vienna as part of the conspiracy, according to the affidavit. The FBI said some of this information was obtained from a source who was a high-ranking officer in the Polish intelligence service, as well as from wiretaps and from intercepting mail at Harper's home.

After a batch of documents relating to the Minuteman and other ballistic missiles were turned over to Polish agents in Warsaw in 1980, the FBI said, Soviet KGB agents were so excited that they agreed to pay whatever the Americans wanted for the documents.

At one point, the FBI said, Harper allegedly boasted that he had "stashed" about 150 to 200 pounds of defense documents.

Wiretapped conversations revealed that Harper, who worked out of an electronics laboratory at his home, maintained substantial amounts of cash in banks in Switzerland and the Cayman Islands, according to the FBI.

Harper had said he could easily pay for his children's support and education and also bragged about not paying taxes, the affidavit said.